



GARY R. HERBERT
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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

6258

October 9, 2014

Jon Rush
Gold Rush Metals
320 East State Street
Orderville, Utah 84758

Subject: Reclamation Surety and Reclamation Contract Required; Gold Rush Metals; Fraction Load, Fraction Load 2, and Tuolumene Mines; S/045/0093; Tooele County, Utah

Dear Mr. Rush:

The referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on March 11, 2014, and supplemented with information received October 3, 2014, is complete **with the exception of the reclamation bonding requirement**. The required reclamation surety is either \$53,400 for a 3-year escalation until 2017 or \$55,700 for a 5-year escalation until 2019. This was determined based on information in the following table.

Small Mine Operation Bond Calculation Worksheet S/045/0093			
3-year escalation (2017)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$8,000.00	\$8,000.00
Add'l Acres Disturbance	4	\$5,000.00	\$20,000.00
Mob/demob over 151-200 miles	6	\$3,900.00	\$23,400.00
Portal Closure	1	\$2,000.00	\$2,000.00
Shaft Closure	0	\$3,000.00	\$0.00
TOTAL (includes \$2500 for BLM spot improvemnts)			\$53,400.00
5-year escalation (2019)			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$8,300.00	\$8,300.00
Add'l Acres Disturbance	4	\$5,200.00	\$20,800.00
Mob/demob over 151-200 miles	6	\$4,100.00	\$24,600.00
Portal Closure	1	\$2,000.00	\$2,000.00
Shaft Closure	0	\$3,000.00	\$0.00
TOTAL (includes \$2500 for BLM spot improvemnts)			\$55,700.00

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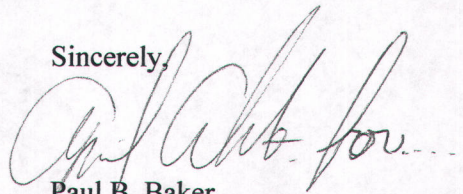
Please submit the reclamation surety and reclamation contract within the next 30 days.
No mining related disturbance may be created until the surety is received and approved and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety may be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at 801-538-5291 or by e mail at pennyberry@utah.gov for assistance in completing this requirement.

The Division is awaiting concurrence from the State Historic Preservation Officer for its determination that road expansion within the patented land will have no adverse effects on significant cultural resources. The Bureau of Land Management will need to make this determination for portions of the disturbance on its land.

Please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257 if you have any questions regarding this letter. In reply please refer to file number S/045/0093.

Sincerely,



Paul B. Baker
Minerals Program Manager

PBB: lah: eb
cc: Larry Garahana and Stephen Allen, SL BLM (lgarahana@blm.gov) (sallen@blm.gov)
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